

U. S. Environmental Protection Agency

WETLAND PROGRAM DEVELOPMENT GRANTS
Wetland Protection --State/Tribal/Local Governments (S/T/LG)

FY2001

I	INTRODUCTION	P. 2
II	FY2001 PROGRAM PRIORITIES	P. 2
III	FUNDING ELIGIBILITY	P. 3
IV	SELECTION CRITERIA	P. 4
V	APPLICATION PROCEDURES	P. 4
	a. application package	P. 4
	b. deadlines	P. 4
	c. match requirements	P. 5
	d. quality assurance/quality control	P. 5
VI	ADDITIONAL PROGRAM INFORMATION	P. 5
	a. performance partnership grants	P. 5
	b. core elements of a Comprehensive Wetland Program	P. 6
	c. local and tribal targets	P. 7
	d. reporting	P. 7
	e. public participation	P. 8
	f. annual wetlands meeting	P. 8
	APPENDIX A	P. 9
	APPENDIX B	P. 11
	APPENDIX C	P. 12

I. INTRODUCTION

The goals of the Environmental Protection Agency's wetland program and the Clean Water Action Plan are to increase the quantity and quality of wetlands in the U.S. by conserving and increasing wetland acreage, and improving wetland health. In pursuing these goals, EPA seeks to build the capacity of all levels of government to develop and implement effective, comprehensive programs for wetland protection and management.

The Wetland Program Development Grants were initiated in FY90 to provide an opportunity for states, tribes and local governments (S/T/LGs) to develop projects which build and refine comprehensive wetland programs. S/T/LG interest in the grant program has continued to grow over the years, and since 1995 Congress has appropriated \$15 million annually to support the grant program. EPA encourages S/T/LGs to build effective, comprehensive wetland programs in five areas: monitoring and assessment, regulation, restoration, water quality, and public-private partnerships.

The type of projects which S/T/LGs can undertake to build their comprehensive wetland programs are very diverse. In the past, S/T/LGs have pursued a wide range of activities, such as developing plans and management tools for wetland resources, advancing scientific and technical tools for protecting wetland health, improving public access to information about wetlands, and training/educating wetland managers and the public about wetland and watershed values. A list of other example project topics is included in Appendix B.

*The statutory authority for Wetland Program Development Grants is section 104(b)(3) of the Clean Water Act (CWA). Wetland Program Development Grants (WPDG) are limited to developing new or refining existing comprehensive wetland programs. **Section 104(b)(3) of the CWA restricts the use of these grants to developing wetland management programs. These grants may not be used for the operational support of wetland programs.** All projects funded through this program must contribute to the overall development and improvement of S/T/LG wetland programs. Applicants must demonstrate that their proposed project integrates with their S/T/LG wetland programs. At this time, Wetland Program Development Grants cannot be used for ongoing operational support of S/T/LG wetland programs.*

The award and administration of Wetland Program Development Grants are governed by the regulations at 40 CFR Part 31 ("Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local

Governments”). EPA has proposed additional regulations to govern state and tribal environmental program grants, including Wetland Program Development Grants and Performance Partnership Grants, to be codified at 40 CFR Part 35, Subparts A and B (see 64 FR 400064 and 64 FR 400084 (July 23, 1999)). EPA will provide further guidance regarding these proposed regulations when they are promulgated as final rules.

II. PROGRAM PRIORITIES

EPA has begun to assess the status of programs that will move us toward our wetland goals. The wetland program has identified two areas as program priorities for improving our ability to protect and restore wetlands in the U.S. - monitoring and assessing the status and condition of wetlands, and improving the effectiveness of compensatory mitigation. S/T/LG are encouraged to develop WPDGs which build their programs in these areas.

Monitoring and assessing the status and condition of wetlands: Projects which advance the science, technical, and management tools for evaluating, protecting and restoring wetland health. Projects should be directed toward developing and ultimately implementing multi-scale, comprehensive S/T/LG wetland monitoring programs. For example, WPDGs can be used for projects which build S/T/LG capacity to analyze data, assess biological health of wetlands, estimate wetland losses and gains, assess wetland function, and coordinate activities and information among levels of government. Grant funds can also be used to provide training in monitoring and assessment techniques. While wetland inventory is an important component of monitoring, inventory alone does not constitute program development.

Improving the effectiveness of compensatory mitigation: Projects which improve S/T/LG capacity to ensure ecologically effective compensatory mitigation for **unavoidable** impacts. For example, WPDGs can be used to build technical expertise in wetland restoration and creation, develop tracking systems for compliance and enforcement of mitigation activities, and develop methods for monitoring the effectiveness of mitigation. Grants can only be used for improvement or development of mitigation programs. They cannot be used for specific mitigation activities (e.g. projects for mitigation banks or in lieu fee mitigation programs).

While WPDGs can still be used by S/T/LGs to build and refine all elements of a comprehensive wetland program (see examples in Appendix B), in this and upcoming years, some priority will be given to funding projects which address

these two priority areas.

III. FUNDING ELIGIBILITY

State, tribal, and local governmental agencies, interstate, intertribal, and local government associations are eligible to receive grant funds. Typical wetland or wetland related agencies include, but are not limited to wetland regulatory agencies, water quality agencies (Section 401 water quality certification), planning offices, wild and scenic rivers agencies, departments of transportation, fish and wildlife or natural resources agencies, agriculture departments, forestry agencies, coastal zone management agencies, park and recreation agencies, non-point source or storm water agencies, city or county and other S/T/LG wetland-related agencies.

In order to be eligible for Wetland Program Development Grant funds, tribes must be federally recognized, although "Treatment as a State" status is not a requirement. Interstate and intertribal entities and associations are eligible for direct funding. Inter-state/tribal/local entity projects must be broad in scope and encompass more than one state, tribe or local government.

Grant funds are typically awarded through a competitive process at a Regional level. While funds are allocated to EPA Regional offices based on the number of states within the Region, EPA is not required to provide grant funds to any or all S/T/LGs. Funding decisions will be made by EPA Regional offices, and are based on the quality of the proposals received and adherence to the selection criteria. Regions typically receive requests for funding far in excess of available funds.

EPA Headquarters (HQ) uses some of the Wetland Program Development Grant funds to support entities other than S/T/LG agencies for projects and tasks that advance state, tribal and/or local wetland programs on a national basis. These projects are not selected through the Regional grant selection process.

IV. SELECTION CRITERIA

For FY2001, some priority in the selection process will be given to projects which build S/T/LG's monitoring and assessment programs or seek methods for improving the effectiveness of compensatory mitigation. All proposals (regardless of topic area) will be evaluated using the following general criteria:

- *Clarity of Proposal's Work Plan - clearly written and described projects*
- *Potential Environmental Results - a high likelihood for positive environmental results in the short and long term*
- *Transferability of Results and/or Methods to Other S/T/LG*
- *Success of Previous Projects - for any applicants who have received prior EPA funding*
- *Involvement/Commitment of the S/T/LG applicant - significant financial and personnel contribution, involvement of partners, incorporation of project into broad agency goals.*

Some EPA Regions have additional criteria for evaluating grant applications. Please contact your Regional Grant Coordinator for further guidance (see Appendix C).

V. APPLICATION PROCEDURES

Wetland Program Development Grants are applied for through EPA Regional offices. Regional offices review all their applications and select the most competitive projects for funding. We emphasize that the quality of the applications will play a significant role in the Region's selection of grants for funding.

- a. *Application Package: Interested applicants must submit an application including completed EPA grant forms and a work plan. At a minimum, work plans must include a project description, time-line, budget, and deliverables. Some Regional offices may ask S/T/LGs to submit pre-application proposals of grant projects for competitive review. Contact your Regional EPA Grant Coordinator (Appendix C) for more specific regional requirements and formats.*
- b. *Deadlines: Full applications and/or pre-application proposals must be submitted to the appropriate EPA Regional office. Regional deadlines are generally in the fall. Please contact your Regional Grants Coordinator (see Appendix C) for further information about application processes and to confirm deadlines.*

Regions may request the applicant to submit revised work plans to adjust funding levels to fit within the Region's funding availability or to revise a proposal to develop a project that better fits within the grant criteria.

- c. Match Requirements: Recipients must provide a minimum of 25% of each award's total project costs in accordance with the regulation governing cost sharing (40 CFR 31.24 "Matching or Cost Sharing"). We encourage states, tribes and local governments to provide additional matching funds whenever possible (i.e., funds in excess of the required 25% of total project costs).

Matching funds can be provided by entities other than the S/T/LG agency. Other federal money cannot be used as the match for this grant program. However, Indian tribes can use funds provided under the Indian Self-Determination and Education Act (i.e., 638 funds) to provide the required matching funds to the extent authorized by that Act and implementing regulations.

Matching funds are considered grant funds. They may be used for the reasonable and necessary expenses of carrying out the work plan. Any restrictions on the use of grant funds (i.e. acquisition of land) also apply to the use of matching funds.

- d. Quality Assurance/Quality Control (QA/QC): QA/QC and peer review are sometimes applicable to these grants. Each application should be evaluated to determine if QA/QC is needed in order to comply with the quality system requirements under EPA Order 5360.1. These requirements apply to the collection of environmental data. Environmental data is any measurements or information that describe environmental processes, location, or conditions; ecological or health effects and consequences; or the performance of environmental technology. Environmental data includes information collected directly from measurements, produced from models, and compiled from other sources such as data bases or literature. Applicants should allow sufficient time and resources for this process. EPA Regional offices can provide specific guidance on QA/QC requirements.

VI. ADDITIONAL PROGRAM INFORMATION

- a. Performance Partnership Grants: A Performance Partnership Grant (PPG) is a multi-program grant made to a state, interstate agency, tribe, or intertribal consortium from funds allocated and otherwise available for environmental program grants. PPGs are voluntary and provide recipients the option to combine funds from two or more categorical grants into one or more PPG. PPGs can provide administrative and/or programmatic

flexibility. Local governments are not eligible for PPGs.

The Wetland Program Development Grants remain a competitive grant program. The state or tribal project must first be selected under the competitive grant process and must identify specific wetland-related output or outcome measures in the grant proposal as a condition for adding funds to the PPG. A state or tribe may include these grant output measures in its Environmental Performance Agreement/Tribal Environmental Agreement and use these agreements to support their application for these grant funds. If the state or tribe chooses to add wetland grant funds to an existing PPG, EPA will add these funds to the PPG by a grant amendment and the recipient must amend its work plan to identify the specific wetland-related output or outcome measures that will be accomplished.

For further information, see 63 FR 53764, "Performance Partnership Grants for State and Tribal Environmental Programs: Revised Interim Guidance" (Oct. 6, 1998) and the proposed rules for State and Tribal environmental program grants at 64 FR 40064 and 40084 (July 23, 1999).

- b. *Core Elements of a State or Tribal Comprehensive Wetland Program:* *The EPA Wetland Program Development Grants have assisted states and tribes in developing or refining their wetland programs since 1990. Under the Wetland Program Development Grants, funds can only support development or enhancement of wetland programs; funds cannot support operation or implementation of wetland programs. EPA's Wetlands Division recognizes that not being able to fund the operation of state and tribal programs has been problematic to states and tribes.*

To address this problem, EPA's Wetlands Division will provide a limited exception to the normal competitive process for wetland grants. States or tribes who demonstrate that they meet a set of core elements for a Comprehensive Wetland Program can apply to EPA for funding to partially support operation of their wetland program, but only if these funds will be included in the state or tribe's PPG (see above guidelines and restrictions). For states, the recipient may only use funds for implementation if the state's PPG includes other grant funds from at least one other environmental program which authorizes wetland program work as an eligible activity (e.g. CWA Section 106 or Section 319 grants).

A description of the Core Elements of a Comprehensive Wetland Program

and information on program approval is available on EPA's web page at: www.epa.gov/owow/wetlands/ or by calling EPA Helpline at 1-800-832-7828.

- c. Local and Tribal Funding Targets: Each Regional Office shall support the local government initiative and tribal efforts by targeting at least 15% of their Regional allocation to local government and tribal applications.
- d. Reporting: EPA uses information on progress and completion of wetland grants and/or cooperative wetland management efforts between EPA and S/T/LGs to disseminate information on effective wetland management approaches to the general public and other S/T/LG. Information on the grant projects is also used to provide information about the progress and usefulness of the grant program to Congress, the Office of Management and Budget, other federal agencies, and within EPA. Such information helps EPA improve our partnerships with S/T/LGs and to set priorities for improving wetland protection.

S/T/LG Wetland Program Development Grants are currently covered under EPA's general grant regulations, 40 CFR Part 31. These regulations specify basic grant reporting requirements, including performance and financial reports. In negotiating these grants, the Regions will work closely with their S/T/LGs to incorporate appropriate reporting requirements into each grant agreement consistent with 40 CFR 31.40 and 31.41. These regulations provide sufficient flexibility to allow the Agency, in consultation with the S/T/LGs, to determine the appropriate reporting requirements, within certain boundaries, and to specify their content and frequency.

Regional offices will set the time frames and required content of all periodic performance reports. However, at a minimum, the reports should include:

- project description--short narrative of the original project
- information on status of funding (total federal funds awarded, federal funds expended, federal funds remaining),
- accomplishments in the last reporting period/progress to date (short narrative assessment of accomplishments and program highlights for that reporting period),
- deficiencies and/or corrective actions (short narrative of any program deficiencies or corrective actions during that reporting period and proposed corrective actions or project modifications), and
- planned activities for the next reporting period (short narrative describing upcoming activities.)

- e. Public Participation: EPA regulations (40 CFR Part 25) require public participation in various Clean Water Act programs including grants. Each applicant for EPA financial assistance (40 CFR 25.11) shall include tasks for public participation in their project's work plan submitted in the grant application. The project work plan should reflect how public participation will be provided for, assisted, and accomplished.
- f. Annual Wetlands Meeting/Training: EPA encourages S/T/LGs to include travel costs in the grant application for wetland personnel to attend at least one national wetland meeting or training each year (e.g. Association of State Wetland Managers Annual Meeting). EPA's Wetlands Division does not anticipate providing travel for state, tribal or local government staff to attend meetings other than through this grant program.

APPENDIX A: Grant Restrictions

Based on experience gained from previous years and policy and regulation, we offer the following comments/restrictions on funding eligibility.

- *Universities (except those chartered as a part of state government), schools, non-governmental agencies and nonprofit organizations are not eligible for direct funding under this grant program. However, they can be prime or subcontractor on grants awarded to S/T/LG agencies as long as that recipient actively participates and has a significant role in the project. The state, tribe or local agency should not simply pass through funding to an organization that is not eligible to receive funding directly.*
- *Universities that are legally chartered as part of state government are eligible to receive grant funds as they fall under the "state agency" category. The university must provide documentation that supports the premise that they function as a state agency and EPA must agree with the premise before grant funds are awarded. Land grant schools do not automatically qualify for direct funding because of their status as a land grant school.*
- *This grant program cannot fund land acquisition or purchase of easements. However, this program can support planning efforts to identify areas for acquisition.*
- *This grant program cannot fund payment of taxes for landowners who have wetlands on their property.*
- *While contractual efforts can be a part of these grants, each grant must have a **significant involvement by the state/tribal/local agency receiving the grant**. EPA recommends that recipients use no more than 50% of the grant funds for contractual efforts. However, if the S/T/LG feels that it needs to exceed this limit, it should submit a written justification for greater contractual efforts with its grant application. EPA's Regional Office will evaluate the need for greater contractual efforts and may approve the request if they agree that there is adequate justification to exceed the 50% limit. Work done by other S/T/LG agencies is not considered contractual efforts. The grant application should clearly indicate if the "contractual" work is being done by another S/T/LG agency.*
- ***Inventory or mapping for the sole purpose of locating wetlands in a***

S/T/LG is not eligible for funding under this grant program. A description of how mapping or inventory projects will directly develop or improve a S/T/LG's wetland protection programs must be included in the grant application for these types of projects to be considered for funding under this grant program.

- *Each grant must be completed with the initial award of funds. S/T/LGs should not anticipate additional funding beyond the initial award of funds for a specific project. S/T/LGs should request the entire amount of money needed to complete the project in the original application. **Each grant should produce a final, discrete product.** Funding and project periods can be for more than one year so long-term projects can continue over more than one year.*
- *Grant funds cannot be used to fund an honorarium.*
- *Any field work or research-type activities are limited to activities that have a direct, demonstrated link to program development or refinement included in the application.*
- *Purchase/lease of vehicles (including boats, motor homes) and office furniture is not eligible for funding.*
- *Grant funds cannot be used to pay for travel by federal agency staff. However, grant funds can be used to pay state, tribal or local government travel costs related to the grant project.*

APPENDIX B:

Example WPDG Project Topics

EPA has developed a database of all projects supported through the Wetland Program Development Grants funding. This searchable database will be available on EPA's web page in July, 2000 at: www.epa.gov/owow/wetlands

The following is a sample list of past projects that have been funded through Wetland Program Development Grants. This is not an exhaustive list, and S/T/LGs may submit any eligible proposal for wetland program development which addresses the goals of EPA's wetland program outlined in this document:

- *comprehensive planning of wetland resources, or integration of wetland management into broad watershed protection approaches*
- *development of S/T/LG Wetland Conservation Plans (WCP)*
- *development of a framework for assuming CWA Section 404 program or Programmatic General Permits program*
- *development of widely applicable model wetland training programs for S/T/LGs*
- *incorporation of wetlands into water quality standards, or refining criteria to appropriately reflect water quality conditions in wetlands*
- *creation, piloting and refining of wetland and riparian restoration programs*
- *development, piloting and refining of wetland bioassessment programs to evaluate wetland health and performance of protection and restoration activities*
- *facilitation of public - private partnerships to develop wetland restoration, protection or education programs*
- *creation of and/or participation in training that builds watershed and wetland partnership and technical skills (e.g. the Watershed Academy)*
- *conducting outreach and education efforts aimed at improving public understanding of wetland protection and regulatory efforts*
- *development of outreach programs to inform owners of potential wetland restoration sites of government assistance programs*
- *creating public education programs which promote wetland information for American Wetlands month*

APPENDIX C:
Grant Coordinators

<i>Region 1</i>	Bob Goetzel goetzel.robert@epa.gov	617/565-3602
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